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Tobacco

U. S. DEPT. OF AGRICULTURE
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CURRENT SERIAL RECORD

INSPECTION • MARKET NEWS
AND DEMONSTRATION SERVICES

Type 32
MARYLAND



U. S. DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
TOBACCO DIVISION - WASHINGTON, D. C.
DECEMBER 1961

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Cover illustrations:

1. A Federal tobacco inspector, working in a Maryland warehouse.

2. A Federal tobacco inspector explains to a grower and his wife how to use the USDA tobacco market price report.

3. A Federal tobacco inspector demonstrating the proper sorting and preparation of tobacco for market.

TOBACCO INSPECTION, MARKET NEWS, AND DEMONSTRATION SERVICES

Class 3(a) - Light air-cured
Type 32 - Maryland

Inspection of tobacco according to standard grades as an aid to growers in marketing their crop began in the United States Department of Agriculture in 1929. In August 1935, The Tobacco Inspection Act became law. This act offered growers free and mandatory inspection on tobacco auction markets where it was desired. That is, the growers might request a referendum be held on a market or group of markets, and if two-thirds of the voters favored inspection, those markets would then be designated by the Secretary of Agriculture for free and mandatory inspection.

In May 1948, the loose leaf markets of Hughesville, La Plata, Upper Marlboro, and Waldorf, Md., were designated by the Secretary of Agriculture for official inspection and market news service. This action followed a referendum in which more than two-thirds of the growers voting requested the service. Free and mandatory inspection has been in effect every season since that time.

The purposes of the inspection and market news services are readily understood by every farmer who has sold a split lot of tobacco for two widely different prices, or has rejected a bid and resold the same tobacco, on the same day, on the same warehouse floor, for possibly several dollars above the first price offered. Every tobacco grower knows there is much uncertainty about the price any basket of tobacco will bring, and that there is a wide range in the prices paid for lots of tobacco of the same quality.

Inspection and market news services, based on Government standard grades, have been developed to provide a measuring stick and price guide to the grower. Prior to the sale, a trained inspector examines each basket of tobacco and certifies it as to grade 1/. The market price reports, furnished by the market news service, cooperating in some instances with State agencies, give the grower the current average price paid and support price (when in effect) for each grade. With this information he can determine whether his tobacco is selling in line with current prices, and is enabled to make an intelligent decision, whether to reject a bid, sell, or accept a price-support loan.

The Government through its lending agencies offers non-recourse loans on crops for which marketing quotas have been approved by growers. These are made through cooperative associations or other responsible organizations. They place a support price on each basket of growers' tobacco that is in sound and merchantable condition. The Government standard grades, determined by authorized inspectors, are the bases for the loans.

1/ Packed and processed tobacco is also inspected and grade certified upon application by interested parties.

BRIEF CLASSIFICATION OF LEAF TOBACCO

(Covering classes and types)

CLASS 1, FLUE-CURED TYPES

Type 11: Old Belt flue-cured; produced in the Piedmont sections of Virginia and North Carolina.

Type 12: Eastern North Carolina flue-cured; produced in the coastal sections of North Carolina, north of the South River.

Type 13: South Carolina flue-cured; produced in the coastal sections of South Carolina and the southeastern counties of North Carolina, south of the South River.

Type 14: Georgia and Florida flue-cured; produced in southern Georgia and northern Florida.

CLASS 2, FIRE-CURED TYPES

Type 21: Virginia fire-cured; produced in the Piedmont and mountain sections of Virginia.

Type 22: Tennessee-Kentucky fire-cured, eastern district, Clarksville, Springfield, and Hopkinsville; produced in a section east of the Tennessee River, in southern Kentucky and northern Tennessee.

Type 23: Kentucky-Tennessee fire-cured, western district, Mayfield and Murray; produced in a section between the Tennessee, Ohio, and Mississippi rivers in western Kentucky and northwestern Tennessee.

CLASS 3, AIR-CURED TYPES

LIGHT AIR-CURED (CLASS 3a)

Type 31: Burley; produced in Kentucky, Tennessee, Ohio, Indiana, West Virginia, Virginia, North Carolina, and Missouri.

Type 32: Southern Maryland; produced in five counties of southern Maryland--Prince Georges, Anne Arundel, Calvert, Charles, and St. Marys.

DARK AIR-CURED (CLASS 3b)

Type 35: One Sucker; produced in north-central Tennessee and south-central Kentucky.

Type 36: Green River; produced in the northern part of Kentucky in the territory adjacent to Owensboro and Henderson.

Type 37: Virginia sun-cured; produced in central Virginia, north of the James River.

CLASS 4, CIGAR-FILLER TYPES

Type 41: Pennsylvania Seedleaf; produced in Lancaster County, Pa., and the adjoining counties.

Types 42-44: Ohio filler; produced in the Miami Valley Section of Ohio and extending into Indiana.

Type 46: Puerto Rican sun-grown including primed (Deshojado) and stalk-cut (Mata); produced on the Island of Puerto Rico.

CLASS 5, CIGAR-BINDER TYPES

Type 51: Connecticut Broadleaf; produced in the Connecticut Valley sections of Connecticut and Massachusetts.

Type 52: Connecticut Havana Seed; produced in the Connecticut and Housatonic Valley sections of Connecticut and Massachusetts.

Type 53: New York and Pennsylvania Havana Seed; produced in the Big Flats and Onondaga sections of New York, and extending into Pennsylvania.

Type 54: Southern Wisconsin; produced in Wisconsin, south and east of the Wisconsin River.

Type 55: Northern Wisconsin; produced in Wisconsin, north and west of the Wisconsin River, and in eastern Minnesota.

CLASS 6, CIGAR-WRAPPER TYPES

Type 61: Connecticut Shade; produced in the Connecticut Valley sections of Connecticut and Massachusetts.

Type 62: Georgia and Florida Shade; produced in southwestern Georgia and north-central Florida.

MISCELLANEOUS TYPES OF DOMESTIC TOBACCO

Type 72: Louisiana Perique.

Type 73: All domestic types of tobacco not otherwise classified.

Type 77: Domestic Aromatic.

FOREIGN TYPES

Type 81: Cuba (Havana)

Type 82: Sumatra and Java.

Type 83: Philippine Islands (Manila).

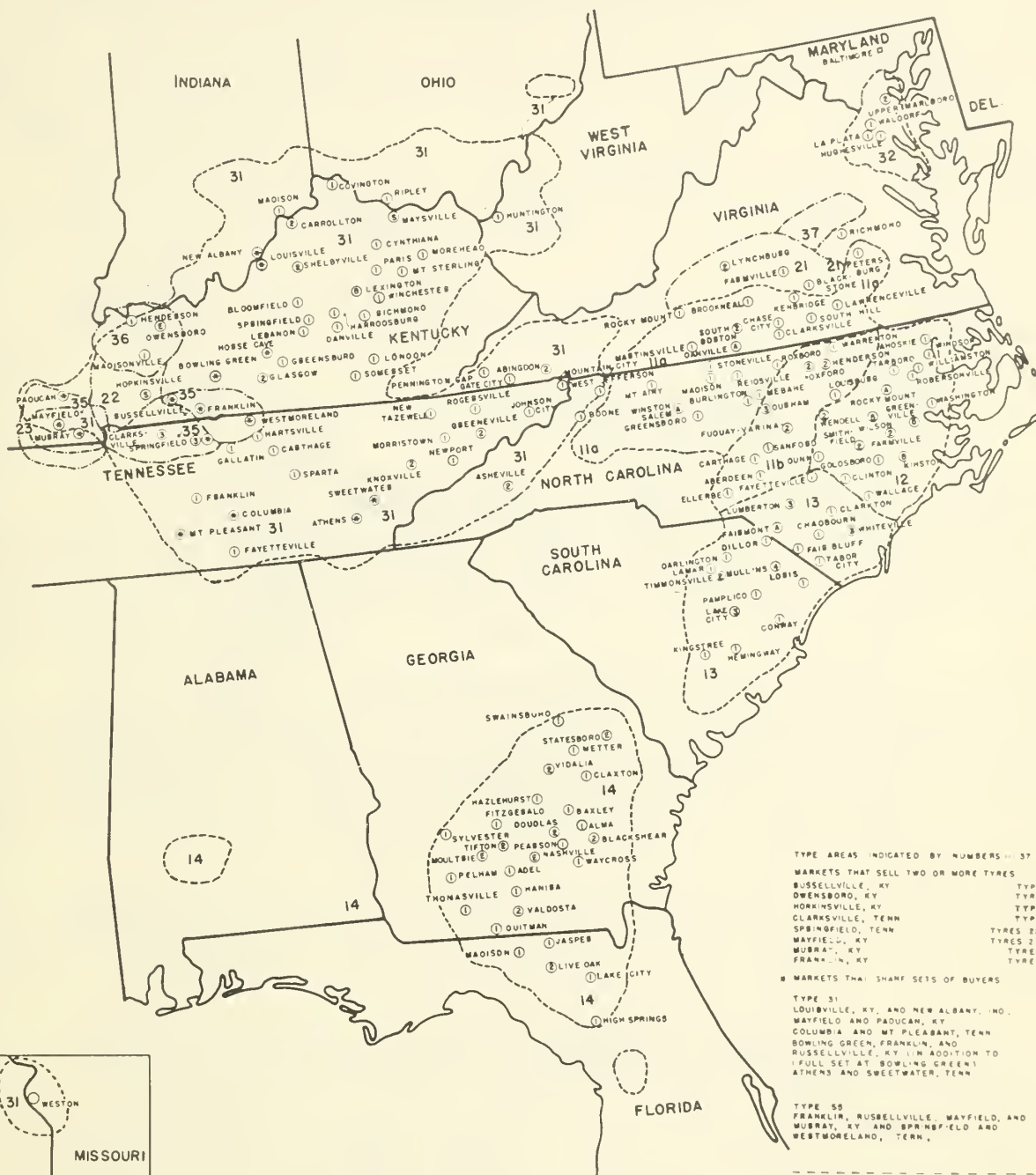
Type 84: All foreign-grown cigar-leaf not otherwise classified.

Type 90: Foreign-grown cigarette and smoking tobacco (Turkish and other).

TOBACCO

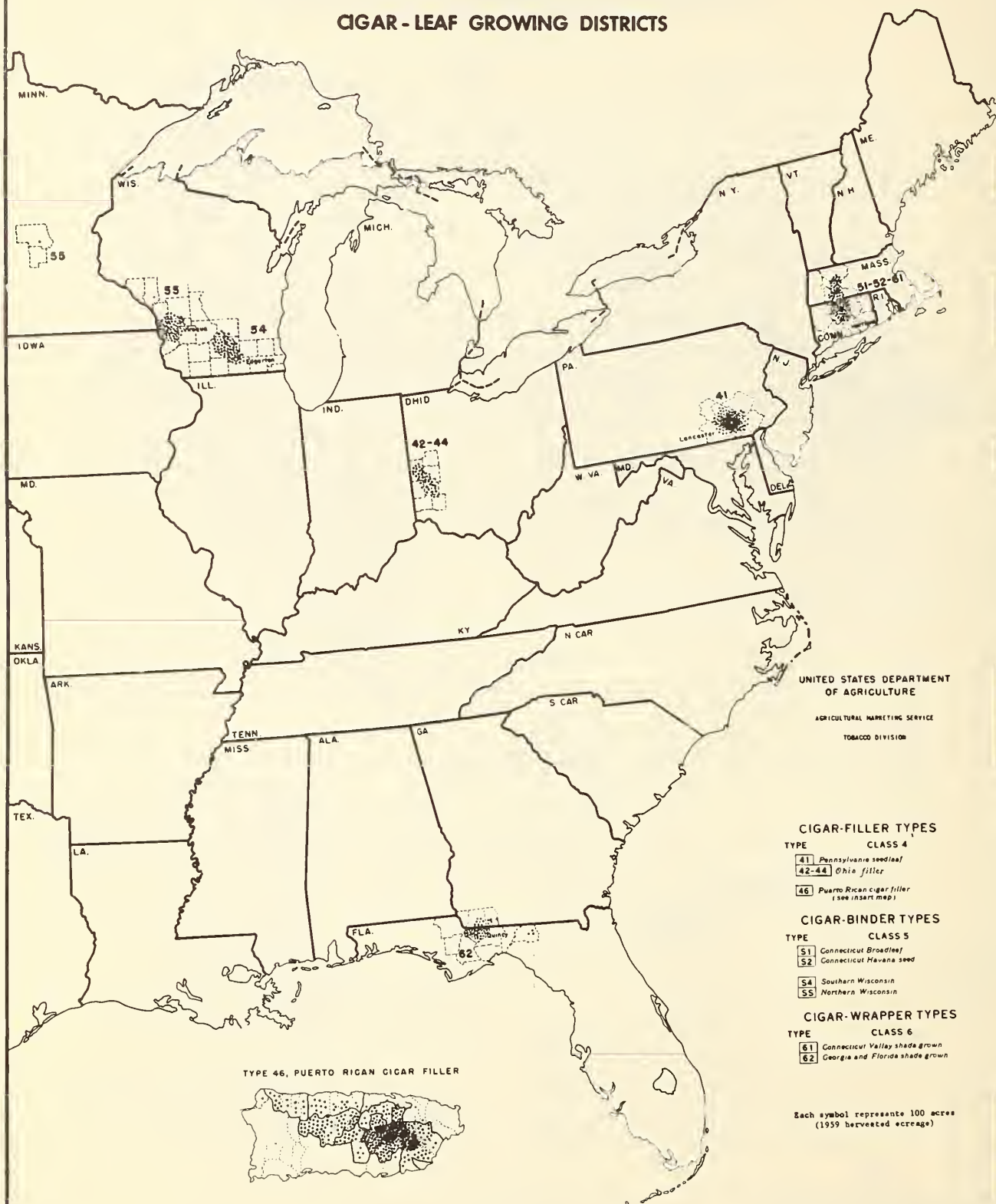
AUCTION MARKETS AND PRODUCING AREAS

(CIGAR LEAF PRODUCING AREAS NOT SHOWN)



TOBACCO

CIGAR - LEAF GROWING DISTRICTS



The Tobacco Inspection Act provides for three related services: inspection, market news, and demonstration.

INSPECTION SERVICE: The inspection is done by highly trained specialists in tobacco judging, who have taken training courses and passed tests to qualify them for this type of work. They precede the auction sale and certify each basket as to grade, according to Federal standards. This grade is, in reality, a description of each basket of tobacco as to group, quality, and color. Grades can be readily understood by the grower, if he is given a little instruction in their application.

Class: The first and major division of tobacco is class. It is based on characteristics caused by varieties, soils, or climatic conditions, or by the method of cultivation, harvesting, or curing. 1/

Type: Each class is subdivided into types. A type is a division of a class of tobacco having certain common characteristics and closely related grades.

Grade: The next subdivision breaks down each type into grades. A grade is a subdivision of a type according to group, quality, and color.

(a) Group. The first and basic factor of a grade is group, a division of a type covering closely related grades based on certain characteristics which are related to stalk position, body, or the general quality of the tobacco. Groups in Maryland Broadleaf are: Ground Leaves (P), Seconds (X), Bright-crop or Thin-crop (C), Dull-crop or Heavy-crop (B), Tips (T), Non-descript (N), and Scrap (S).

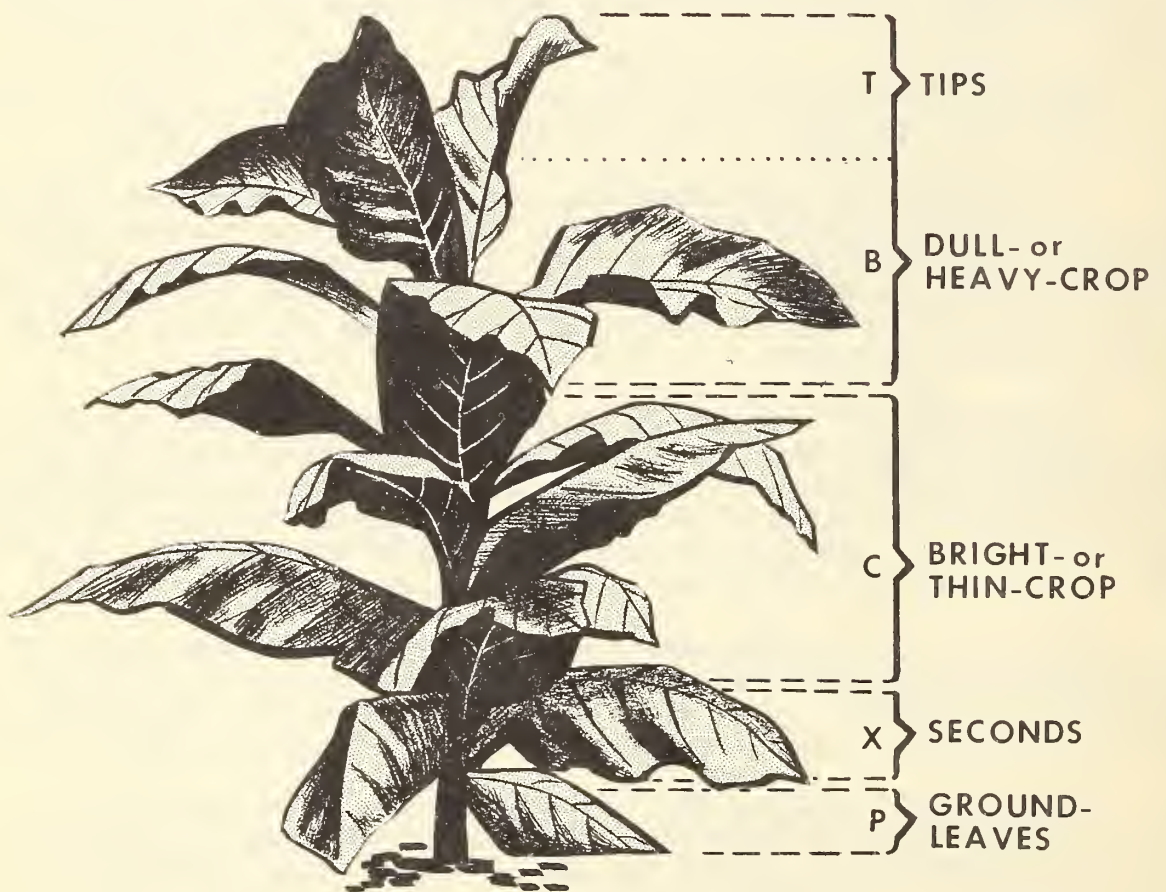
Ground Leaves (P). This group consists of leaves from the lowest portion of the stalk. These leaves either drop off at harvesttime or are primed or removed before harvesting. Cured Ground Leaves are open-faced and are the widest leaves on the stalk in relation to their length. They have a rounded tip. Ground Leaves ripen prematurely as the result of starvation. They contain a relatively high percentage of sand and dirt.

Seconds (X). This group consists of relatively thin leaves which show material injury characteristic of leaves grown near the ground or below the midpoint of the stalk. Cured Seconds normally have a flat, open face and are wider in relation to their length than leaves from a higher stalk position.

Bright-crop or Thin-crop (C). This group consists of leaves usually grown at the midpoint on the stalk. Cured leaves from this stalk position roll or curl and tend to conceal the stem or midrib. These leaves are of relatively thin body compared with the average body of the type. They are spready in relation to their length and have an oblate tip. Little ground injury is found in leaves of this group. Bright-crop or Thin-crop also may be described as first-bright, first-crop, or crop.

1/ See Brief Classification of leaf tobacco, page 4.

MARYLAND BROADLEAF TOBACCO PLANT



Dull-crop or Heavy-crop (B). This group consists of leaves usually grown above the midpoint on the stalk. Cured leaves from the upper stalk tend to fold face in and expose the stem or midrib. Upper stalk tobacco is of relatively heavy body compared with the average body of the type. Upper stalk leaves are narrow in relation to their length and have a pointed tip. Dull-crop or Heavy-crop also may be described as second-bright, dull, or semicrop.

Tips (T). This group consists of leaves usually grown at the top of the stalk. These relatively narrow and sharp-pointed leaves have the general characteristics of Dull-crop or upper stalk tobacco. A slightly lower degree of maturity and leaf structure is usually associated with the normal state of under-development in Tips.

Nondescript (N). Extremely common tobacco which does not meet the minimum specifications or which exceeds the tolerance of the lowest grade of any other group.

Scrap (S). A by-product of unstemmed and stemmed tobacco. Scrap accumulates from handling tobacco in farm buildings, warehouses, packing and conditioning plants, and stemmeries.

(b) Quality: The second factor of a grade is quality, a division of a group based on the relative degree of one or more elements of quality in tobacco. The five degrees of quality in Maryland are: Choice (1), Fine (2), Good (3), Fair (4), and Low (5).

(c) Color: The third factor of a grade is color, and is expressed in degrees of visual difference related to a scale of values that are common to the type. The terms used to describe color in Maryland are: Tan (L), Cherry (F), Mahogany (R), Brown (D), Variegated (K), Greenish (V), and Green (G).

In addition to the above three main factors, if the tobacco is in unsafe or doubtful keeping order, the symbol (W) is added to the other symbols, or if unsound, the symbol (U).

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A combination of group, quality, and color can be made to form a grade. To simplify the use of Groups, Qualities, and Colors, letters and numerals are used to represent the words they stand for, as follows:

KEY TO STANDARD GRADE MARKS 1/

<u>Groups</u>	<u>Qualities</u>	<u>Colors</u>
P - Ground Leaves	1 - Choice	L - Tan
X - Seconds	2 - Fine	F - Cherry
C - Bright-crop or Thin-crop	3 - Good	R - Mahogany
B - Dull-crop or Heavy-crop	4 - Fair	D - Brown
T - Tips	5 - Low	K - Variegated
N - Nondescript		V - Greenish
S - Scrap		G - Green

Special factors "U" and "W" may be applied to all grades.

Tobacco not covered by the standard grades is designated as No-G.

Substituting symbols for words, Bright Crop of Good Quality in Cherry color would be written C3F. The first symbol, C, indicates the group; the second symbol, 3, denotes the quality; and the third symbol, F, describes the color. Each symbol used in a Federal Grade for tobacco has therefore a definite and known meaning.

To make this clear, assume we are to determine a grade of a single lot of tobacco. Upon examination we find from characteristics it is clearly a Second and we know the first symbol is X. Examining it more closely as to relative degrees of quality, we find that it is thin to tissuey in body, ripe to mellow, open to porous, even in leaf surface, and comparable as to its uniformity; it has moderate finish, weak color intensity, and less than 20% injury. We thus are able to arrive at its degree of quality, which is Good or 3. Assuming the major portion of the Seconds are tan color, we use the symbol L, making it X3L. Now we have a complete description of the tobacco.

Operation of Inspection Service:

(1) Growers deliver their tobacco to the market of their choice and to any warehouse they may select.

(2) The tobacco is arranged for sale on flat baskets.

(3) Each lot, or basket, is then weighed and a warehouse ticket is placed on the lot. The ticket shows the name of the seller and the number of pounds of tobacco in the lot, and may give other information for the purpose of identification. Space is provided on the ticket for the name of the buyer, the grade symbol of the buyer, and the price at which the tobacco is sold. It also has a space in the upper-right corner for the Federal grade (see page 12).

(4) The lots, or baskets, are placed in line on the warehouse floor.

1/ The details of the groups, qualities, and colors used in connection with the grades for Maryland tobacco are shown on page 12.

(5) As soon as there is good light, the official inspector starts at the beginning of the "break" ahead of the sale and makes a careful examination of each basket of tobacco. He then writes on the ticket, in the space provided, the Federal grade that correctly describes the tobacco in the lot, inserts the date, and signs his initials. If the tobacco inspected is Dull crop of Fair quality in Mahogany color, the inspector writes B4R. If the tobacco is made up of Bright crop of Fine quality in Cherry color, the grade symbol is C2F. If the lot is made up of Seconds of Good quality in Tan color, the grade mark is X3L. The warehouse ticket then becomes a certificate of grade and shows the type of tobacco as well as its group, quality, and color.

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The Federal system of grades for tobacco differs from private systems in that it must be more comprehensive, since it must describe any and all lots of tobacco offered for sale. Each symbol has a definite meaning which is known to the general public, and symbols are a complete description of the lot to which they apply.

Farmers are sometimes confused by the fact that the combinations of the several groups, qualities, and colors form such a large number of grades. Because the total number cannot be applied to their particular crops, they say that too many grades are recognized. However, it should be remembered that grades are used only as required, and only a limited number are necessary to describe all the tobacco in an individual crop. Crops from different farms and from different areas show such a wide variation that a wide range in grades is necessary to describe all Maryland tobacco offered for sale.

MARKET NEWS SERVICE: The average farmer cannot spend enough time on the warehouse floor to keep posted on the approximate value of the different grades of tobacco, but he must have this information if he is to get a fair price for his tobacco. The tobacco market news service gathers this information as a companion activity of the inspection service.

The value of the inspection and market news services lies in the fact that the certificate of grade on the warehouse ticket provides tobacco growers with unbiased information regarding the grade or quality of each lot of tobacco offered for sale, and the price reports furnish a definite basis for making an intelligent decision on whether or not to accept a bid.

During morning sales, on all auction markets over the entire belt, a record is made of grade, pounds, and price for each lot sold. These data are transferred to a central market news office, where averages are calculated for representative grades and issued in the form of a daily press release. This report carries quotations on grades which represent around three-fourths of the total volume of offerings. The release reviews the highlights of the day's sale covering such items as quality, price, trend, high and low price for individual baskets, etc. Sales figures for the belt are also included. Newspapers and radio stations are furnished with the release daily.

Daily price reports are sent to every market showing the average price at which each grade sold the preceding day, along with the support price for the grade. This information is made available to growers selling on the market. In addition, weekly market news reports and press releases are issued which review the marketing activities for the week.

CLASSIFICATION OF TOBACCO, TYPE 32

CLASS	TYPE	GROUPS	QUALITIES	COLORS	
{ Class 3 Air-cured Type 32 Maryland }		P-Ground leaves	{ 3-Good 4-Fair 5-Low }	{ L-Tan F-Cherry R-Mahogany }	3-4-5 3-4-5 4-5 "
		X-Seconds	{ 1-Choice 2-Fine 3-Good 4-Fair 5-Low }	{ L-Tan F-Cherry R-Mahogany V-Greenish K-Variegated D-Brown G-Green }	all all 3-4-5 3-4-5 3-4-5 4-5 4-5 "
		C-Bright Crop	{ 1-Choice 2-Fine 3-Good 4-Fair 5-Low }	{ L-Tan F-Cherry R-Mahogany V-Greenish K-Variegated D-Brown G-Green }	all all 3-4-5 3-4-5 3-4-5 4-5 4-5 "
		B-Dull Crop	{ 1-Choice 2-Fine 3-Good 4-Fair 5-Low }	{ F-Cherry R-Mahogany V-Greenish K-Variegated D-Brown G-Green }	all all 3-4-5 3-4-5 3-4-5 3-4-5 3-4-5 "
		T-Tips	{ 3-Good 4-Fair 5-Low }	{ F-Cherry R-Mahogany V-Greenish K-Variegated D-Brown G-Green }	3-4-5 qualities 3-4-5 4-5 4-5 4-5 4-5 "
		N-Nondescript	{ 1-Best 2-Substandard }	{ L-Thin bodied F-Medium bodied R-Heavy bodied G-Crude green }	1 quality only 1 1 1 1 "
		S-Scrap No grade	{ As defined As defined }		(Special factors U and W may be applied to all grades)

SUMMARY OF STANDARD GRADES FOR MARYLAND TOBACCO, TYPE 32

8 Grades of Ground Leaves		23 Grades of Seconds	
P3L	P3F	X1L	X1F
P4L	P4F	X2L	X2F
P5L	P5F	X3L	X3F
	P4R	X4L	X4F
	P5R	X5L	X5F
		X3R	X3K
		X4R	X4K
		X5R	X5K
			X3V
			X4V
			X5V
			X4G
			X5G
23 Grades of Bright-crop or Thin-crop		14 Grades of Tips	
C1L	C1F		
C2L	C2F		
C3L	C3F	C3K	C3V
C4L	C4F	C4K	C4V
C5L	C5F	C5K	C5V
		C4D	C4G
		C5D	C5G
22 Grades of Dull-crop or Heavy-crop		14 Grades of Scrap	
B1F	B1R		
B2F	B2R		
B3F	B3R	T3F	T3R
B4F	B4R	T4F	T4R
B5F	B5R	T5F	T5R
			T4V
			T5V
			T4G
			T5G
5 Grades of Nondescript		1 Grade of Scrap	
N1L	N1F	N1R	N1G
			N2
			S

	No. <u>100</u> B. No. <u>X 200</u>	TOBACCO INSPECTION CERTIFICATE THIS TOBACCO, INSPECTED UNDER THE TOBACCO INSPECTION ACT BY THE U. S. DEPARTMENT OF AGRICULTURE, IS CERTIFIED TO BE:	
	PLANTER	TYPE 32—GRADE	
	AND <u>John Doe</u>	(DATE)	BY (INSPECTOR U.S.D.A.)
	<u>Sam Jones</u>		
	(NAME OF WAREHOUSE)	LBS.	
		<u>250</u>	

	No. <u>100</u> B. No. <u>X 200</u>	TOBACCO INSPECTION CERTIFICATE THIS TOBACCO, INSPECTED UNDER THE TOBACCO INSPECTION ACT BY THE U. S. DEPARTMENT OF AGRICULTURE, IS CERTIFIED TO BE:	
	PLANTER	TYPE 32—GRADE	
	AND <u>John Doe</u>	<u>C 3 F</u>	
	<u>Sam Jones</u>	<u>5/16/61</u>	<u>S. H.</u>
	(NAME OF WAREHOUSE)	LBS.	
		<u>250</u>	
	<u>79 Ga</u>		

TOBACCO WAREHOUSE TICKET - BEFORE AND AFTER INSPECTION AND SALE

Tobacco Market Prices

SOUTHERN MARYLAND TYPE 32

DAILY

May 16, 1961

U. S. DEPARTMENT OF AGRICULTURE - AGRICULTURAL MARKETING SERVICE - TOBACCO DIVISION

NO 14

Maryland State Department of Markets. Cooperating

1960 Crop

Net auction sales Monday - 691,530 pounds - Avg. \$66.25

Season - 9,428,268 pounds - Avg. \$64.06

Maryland Tobacco Coop. receipts - Monday 4.7% of sales - Season 5.4%

Auction bid averages and advance prices per hundred pounds by U. S. grades:

TUESDAY, MAY 16, 1961

U. S. GRADE	AUCTION AVERAGE	ADVANCE PRICE	U. S. GRADE	AUCTION AVERAGE	ADVANCE PRICE	U. S. GRADE	AUCTION AVERAGE	ADVANCE PRICE
<u>HEAVY CROP</u>			<u>TIPS (Cont'd)</u>			<u>SECONDS (Cont'd)</u>		
B1F	\$79*	376	T5K	\$--	323	X3R	\$--	353
B1R	--	60	T5V	45	25	X3K	--	43
B2F	76*	74	T5G	34	23	X3V	62*	51
B2R	--	55				X4L	66*	52
B3F	73	70	<u>THIN CROP</u>			X4F	65	53
B3R	56*	48	C1L	83*	81	X4R	54*	40
B3D	--	31	C1F	83*	82	X4D	44*	27
B3K	--	39	C2L	81	79	X4K	--	34
B3V	63*	52	C2F	82	80	X4V	54*	38
B3G	45*	29	C3L	78	74	X4G	45*	25
B4F	70	66	C3F	79	75	X5L	59*	37
B4R	52	38	C3R	71*	70	X5F	58	38
B4D	46*	26	C3K	--	50	X5R	44	28
B4K	--	36	C3V	70*	66	X5D	34*	23
B4V	54	43	C4L	73	68	X5K	--	25
B4G	43	25	C4F	74	72	X5V	49*	28
B5F	62	55	C4R	67	65	X5G	36*	23
B5R	48	29	C4D	57*	38	<u>GROUND LEAVES</u>		
B5D	40*	24	C4K	--	45	P3L	--	47
B5K	--	28	C4V	67	55	P3F	--	47
B5V	50	30	C4G	49*	32	P4L	62*	37
B5G	40	23	C5L	69	62	P4F	58*	37
<u>TIPS</u>			C5F	70	66	P4R	--	27
T3F	--	61	C5R	66	51	P5L	56*	24
T3R	--	41	C5D	42*	29	P5F	47*	24
T4F	61	53	C5K	--	35	P5R	45*	23
T4R	48	34	C5V	59	38	<u>NONDESCRIPT</u>		
T4D	39*	25	C5G	37*	25	N1L	43	21
T4K	--	29	<u>SECONDS</u>			N1F	47*	22
T4V	51	34	X1L	75*	73	N1R	38*	22
T4G	38	25	X1F	76*	73	N1G	31	22
T5F	51	38	X2L	73*	69	N2	30	0
T5R	45	25	X2F	72*	69			
T5D	37*	23	X3L	70*	64			
			X3F	70	64			

*Latest average established.

Tobacco can be placed under loan only by the original producer.

Tobacco graded "scrap", "No-G" (no grade), "W" (doubtful keeping order),

"U" (unsound) will not be accepted.

(SEE OTHER SIDE)

"NOTICE TO GROWERS"

THE INFORMATION FURNISHED IN THIS REPORT IS INTENDED TO HELP YOU IN OBTAINING THE CURRENT MARKET PRICE FOR YOUR TOBACCO.

USE DAILY PRICE REPORTS REGULARLY

You have one of the following choices:

1. Accept Bid Price Offered.
2. Reject Bid Price and Re-offer at Auction.
3. Reject Bid Price and Deliver to Cooperative at Advance.

CAREFUL PREPARATION OF TOBACCO FOR MARKET PAYS A PROFIT

1. Every effort should be made to strip tobacco uniformly as to quality and color.
2. BROWN tobacco should not be tied with GREEN leaves. Always tie with the SAME COLOR.
3. Muddy and extremely dirty leaves should be separated from clean tobacco.
4. Tobacco should not be mixed in the hack or burden.
5. Do not market your tobacco in TOO HIGH ORDER. This often gives the impression that it is much heavier-bodied than is actually the case.

CONSULT YOUR TOBACCO GRADER. ASK HIM ANY QUESTIONS OR ADVICE ABOUT MARKETING YOUR TOBACCO. HE IS ON THE MARKET TO ASSIST YOU.

KEY TO STANDARD GRADE MARKS FOR SOUTHERN MARYLAND TOBACCO

<u>GROUP</u>	<u>QUALITY</u>	<u>COLOR</u>	<u>SPECIAL FACTOR</u>
B-Heavy-crop	1-Choice	L-Tan	W-Doubtful Keeping Order
T-Tips	2-Fine	F-Cherry	
C-Thin-crop	3-Good	R-Mahogany	U-Unsound - damaged under 20%
X-Seconds	4-Fair	D-Brown	
P-Ground Leaves	5-Low	K-Variegated	
N-Nondescript		V-Greenish	
S-Scrap		G-Green	

For example: B4F designates heavy-crop, fair quality and cherry color.

Market price reports furnish growers with current average prices and support prices by grade. If a certain grade is averaging well above the support price, it is well for the grower to think before accepting the loan price. For example, if the average for B5R was \$48, and the support was \$29, and the grower was offered a bid below the support price, it would be worth his time to reject this bid and offer the lot at the next sale. He is assured that the loan price will be the same all season, and in most cases his lot will bring a price nearer the average on the second sale, and thus give him a nice profit over the first sale.

Information like this will enable every farmer to know after his tobacco is sold whether the prices, lot by lot, are in line with those already established on a grade basis by the buyers. This information will enable farmers to market their tobacco on a basis of fair competition.

Records of offerings and sales, compiled by the Department of Agriculture, show that when bids are materially below the price range per grade, farmers make money by rejecting the bids and putting their tobacco up for sale again. The data also show that when bids are within the price range per grade or above the average for the grade, farmers seldom profit but usually lose by rejecting the bid. The point is that if farmers are to benefit from the operations of the inspection and market news services they must apply the information obtained. Information which enables farmers to reject low bids and to obtain for their tobacco substantially higher prices at the second offering is of great value to producers in marketing their tobacco.

In addition, the Department issues market reviews each year which cover such information as opening and closing dates of all markets, number of warehouses and buyers on each market, warehouse charges, summary of sales by crop years, summary of sales by months, producers' sales and resales by markets, price charts showing fluctuations over a period of years, average price per grade each week of marketing season, percentages of each group, quality, and color in each crop, and other valuable data.

Any or all of these reports will be sent without cost, upon request to Market News Service, Tobacco Division, AMS, P. O. Box 267, Upper Marlboro, Md.

DEMONSTRATION SERVICE: The demonstration service is educational. It acquaints farmers with the objectives of inspection and market news and how these services can benefit them; and instructs them in how to prepare their tobacco so that it will be sold at the highest price consistent with quality.

In cooperation with county agents and agricultural teachers, tobacco inspectors hold meetings directly at tobacco barns, where actual stripping demonstrations are given. Discussions are also held for classes in agricultural colleges, for chamber of commerce groups, and for other civic and farm organizations.

Why the Government acts: It may be asked, "Why cannot warehouse starters and buyers determine the grade of tobacco as well as Government inspectors?" Studies show that in the majority of instances they can, and do, since the bulk of sales are made at prices within the normal range for the several grades. But there are the sales at abnormally low prices to be explained.

One explanation may be found in the rate at which tobacco is sold at auction. The normal rate at which Maryland tobacco is auctioned is 360 lots an hour, or 1 lot each 10 seconds. Under normal conditions the warehouse starters and buyers must determine the group, quality, and color of a lot of tobacco every 10 seconds. It is extremely doubtful whether these determinations can be accurately and consistently made at this rate of speed during the whole period of sales. To a large extent the inequality in prices for the same grade of tobacco may be explained by errors in judgment on the part of starters and buyers, because of the speed at which tobacco is sold.

Another important factor is the light under which tobacco is sold. Some tobacco may be placed on the warehouse floor where the light is unsatisfactory. It may be in a dark corner, or under a skylight through which the sun shines directly on the tobacco. Both conditions render accurate determinations very difficult, and often adversely affect the sales price of the tobacco. Neither of these unfavorable conditions - rate of sales or unfavorable light - can be directly attributed to either the starters or the buyers, but the ill effects of both can be reduced materially by inspection service.

Under Federal Inspection, to eliminate errors in judgment caused by speed and unfavorable light, sufficient inspectors are provided for each sale. Furthermore, as they begin inspecting tobacco some time before the sale starts, they are not rushed and are able to make thorough examinations, and consequently more accurate and consistent determinations of grade. In addition, lots of tobacco that are under unsatisfactory light may be carried to proper light for better inspection and determination of grade.

The services are informational. The inspection service does not promote sales; it only supplies information regarding the quality of tobacco offered for sale. The market news service does not establish prices; it only records current average prices established by sales of tobacco. If the service is rightly used it will go far toward preventing the losses now suffered by growers when tobacco is knocked down at less than its current market value.

Summary: The object of Inspection, Market News, and Demonstration is to supply information regarding the factors pertaining to the value of tobacco offered for sale. These services (1) certify to the seller the grade of his tobacco, (2) furnish him with current average price and support or loan price for each grade, and (3) keep him informed as to the best way to prepare his crop for marketing. In short, they are designed to aid him in all ways to get as much money as possible for the tobacco which represents his year's work.

